

November 2014 Monthly Report for MTC

To: Steve Heminger, Executive Director
From: Tom Bulger, President, GRI
Re: Monthly Report for November 2014
Date: December 2, 2014

- **Election 2014: GOP Takes Control of Congress**
- **2014 Election Brings Changes to Leadership**
- **Pelosi Reelected Unanimously to House Minority Leader Post**
- **White House Kills Sen. Reid's Tax Deal**
- **Therese McMillan Completes Senate Committee Hearing**
- **APTA: 60 Percent of Transit Initiatives Approved by Voters**
- **Capitol Fly-In to Discuss Commuter Transit Benefit Bill**
- **A GOP Earmark Statement**
- **Intelligent Transportation Society (ITS) America Legislative Meeting**
- **MAP-21 Freight Provisions Statute Review and Discussions**
- **Freight Panel Discussions with Senate Staff**
- **EPA Unveils Plan to Tighten Ozone Standards**
- **Comings and Goings**

Election 2014: GOP Takes Control of Congress

On November 4, the Republicans won the majority in the Senate with 54 seats compared to the Democrats' 45. The Louisiana race remains undecided. For the first time in eight years, the GOP will have the majority in the House of Representatives and the Senate. In the 114th Congress, Senator Mitch McConnell (R-Ky.) becomes the Senate majority leader with Senator Harry Reid (D-Nev.) becoming the minority leader.

In the House, the GOP gained 12 seats — bringing their majority total to 244 seats — with the Democrats now holding 186 seats. There are five districts yet to be decided.

2014 Election Brings Changes to Leadership

The results of the 2014 midterm elections brought about changes in leadership for various committees in the House and Senate, including transportation. The transportation leadership in the upper and lower Chambers are as follows:

- House Transportation and Infrastructure (T&I) Committee Chair Bill Shuster (R-Pa.) maintained his seat as chairman.
- Rep. Nick Rahall (D-W. Va.), House T&I Committee Ranking Member, lost his seat in the House after serving 19 terms in Congress. Rep. Peter DeFazio (D-Ore.) will take Rahall's position. In doing so, Rep. DeFazio will need to give up his leadership position on the Natural Resources Committee.
- Senate Environment and Public Works (EPW) Committee Chair Barbara Boxer (D-Calif.) will become the ranking member of the committee.
- Senator Jim Inhofe (R-Okla.) will become the EPW Committee chair.
- Senator Jay Rockefeller (D-W. Va.), chair of the Senate Commerce Committee, did not seek reelection. Commerce Committee Ranking Member John Thune (R-S.D.) will transition to chair of the committee beginning in January. The ranking member position has not been confirmed.

Pelosi Reelected Unanimously To House Minority Leader Post

On November 18, House Democrats reelected Rep. Nancy Pelosi (D-Calif.) to serve as minority leader for another two years. Pelosi was unopposed in the election and earned unanimous support from the Democratic Caucus.

Following her election, Pelosi spoke briefly, calling House Democrats the “strongest team in the field.” Pelosi said Democrats need to rebuild consensus within their caucus and renew focus on “middle-class issues.” The caucus also reelected the entire Democratic leadership team along with Rep. Steve Israel (D-N.Y.) as a top Pelosi lieutenant on policy and communications. Israel served as chair of the Democratic Congressional Campaign Committee for the past four years.

White House Kills Sen. Reid's Tax Deal

Before Thanksgiving, the White House worked closely with House Democrats to kill a tax deal that Senate Majority Leader Harry Reid (D-Nev.) was negotiating with Republicans. Many believe that President Obama's team is eyeing a broad corporate tax reform deal in 2015, when Republicans will control the Senate and the House.

The Reid-GOP deal would have indefinitely revived the popular credit for business research and a tax break for small business expensing, a pair of proposals that House Republicans have been pushing for months. Democrats would have gotten a long-term extension of a tax break that helps families pay for college costs, while Senator Reid would have scored a permanent extension of a tax break for state and local sales taxes that are especially important to Nevada. The transportation portion of the Reid-GOP deal would have made permanent a boost to the benefit for employees who ride public transportation to work. At \$250 a month for 2015, the benefit increase would have applied to all American workers whose employers offer the benefit, including federal employees.

However, the White House and House Democrats axed the deal when the long-term extensions of expansions of the Earned Income Tax Credit and Child Tax Credit were not included, which some in the Democratic party called their top priority in the tax discussions. Senator Reid has since stepped away from the table and left the lame-duck tax talks entirely to Senate Finance Committee Chair Ron Wyden (D-Ore.). This means a one-year extension of expired tax provisions (including the mass transit benefit) appears more likely.

Therese McMillan Completes Senate Committee Hearing

On November 13, we attended the Senate Committee on Banking, Housing, and Urban Affairs hearing on the nomination of Ms. Therese W. McMillan to become Federal Transit Administrator in the U.S. Department of Transportation. The hearing was conducted by Senator Tim Johnson (D-S.D.), chair of the Committee. The hearing went smoothly and Ms. McMillan now awaits the final step of confirmation: a Senate vote to determine if she will become the next Federal Transit Administrator.



APTA: 60 Percent of Transit Initiatives Approved by Voters

Sixty percent of transit initiatives before voters on Election Day this week were approved, according to the American Public Transportation Association (APTA). The group said that 15 out of 25 local transit initiatives, which totaled more than \$6 billion, were approved during the November 4 elections.

“While American voters have become more discerning on what issues to support with their tax dollars, citizens continued to vote to overwhelmingly support public transportation ballot initiatives because it helps grow their communities,” APTA President Michael Melaniphy said. “These votes serve as affirmation of the strong bi-partisan support that public transit initiatives enjoy throughout the country. Voters place great value in public transit and are willing to vote to tax themselves to invest in their communities.”

Federal law dictates that 20 percent of all transportation spending approved by Congress go toward transit, but lawmakers have struggled to find a way to close an approximately \$15 billion gap in annual infrastructure funding that has developed in recent years. Transportation advocates pushed Congress to approve a multi-year transportation bill earlier in the year, but lawmakers could only muster an approximately \$11 billion temporary extension to cover the transportation shortfall until next May.

Capitol Hill Fly-In to Discuss Commuter Transit Benefit Bill

On November 12, we helped organize and participated in a Capitol Hill fly-in regarding the transit benefit bill. The fly-in began with a press conference, which included comments from both Rep. Earl Blumenauer (D-Ore.) and Rep. Jim McGovern (D-Mass.), about how this benefit is a “bi-partisan no-brainer.” After the press conference, our group met with 30 Congressional staff members and with staff from the Ways and Means Committee. Below are some of the responses we received from staffers we held meetings with:

Garret Bees, Legislative Director for Rep. Daniel Webster (R-Fla.)

- Represents the 10th District of Florida, including Orlando.
- Staffer takes Metro to work, but congressional district doesn't lend itself to supporting the Transit Benefit.

Mike Stober, Legislative Director for Rep. Erik Paulsen (R-Minn.)

- Relatively new staffer, had to be brought up to speed regarding the ins and outs of the benefit.
- Said he would check about transit impact in the Twin Cities, but overall seemed disinterested in committing his boss's support.

Andy Taylor, Legislative Director for Rep. Michael McCaul (R-TX)

- Potential support due to vanpooling in his district.

Michael Sinacore, Legislative Director for Rep. Scott Garrett (R-N.J.)

- We explained that commuters in this district may have the highest commuter costs in America (trips into New York City).
- Mr. Sinacore said he would talk to Congressman Garrett and will follow up via email.

Mona Lewandoski, Legislative Assistant for Sen. Barbara Boxer (D-Calif.)

- Senator Boxer's staff was very supportive, but the Senator doesn't sit on the Senate Finance Committee

Chris Maneval, Legislative Assistant for Rep. J. Randy Forbes (R-Va.)

- Has been working on getting Congressman's support for over two years.
- Appeared interested in giving support to the bill.

Anna Taylor, Legislative Assistant for Sen. Charles "Chuck" Schumer (D-N.Y.)

- She stated numerous times that achieving permanent status may not be possible in the upcoming negotiations with the House.
- Wants to keep the monthly amount at \$250, as stated in the Senator's bill.
- Permanence may not be possible due to Mr. Camp's insistence on having only 1-2 bills made permanent during the lame-duck session.
- She stated that they are stuck supporting the Senate Finance Committee's EXPIRE Act.
- She stated that there is probably no more than 15 days remaining in the legislative lame-duck session.

A GOP Earmark Statement

On November 14, the House Republican Caucus overwhelmingly defeated a bid to reinstate earmarks. Four years into the earmark ban, legislators on both sides of the aisle are agitating for a return to dictating spending projects in legislation. In May, Senator Reid (D-Nev.) called for the return of earmarks, while Senator Thad Cochran (R-Miss.) defended earmarking throughout his re-election bid. Many Republicans now argue that earmarks are central to the power of the purse and necessary to exercise control over President Obama's bureaucrats.

In introducing his repeal of the earmark ban, Rep. Mike Rogers (R-Ala.) pitched another favorite argument: reviving these "sweeteners" will help the leadership buy votes for tough-to-pass legislation. Speaker John Boehner (R-OH) helped lead opposition to the measure, which lost 67-145.

Intelligent Transportation Society (ITS) America Legislative Meeting

On November 18, we attended an ITS America Legislative Meeting that provided a variety of legislative updates along with various staff changes. One of the major topics of the meeting dealt with the transportation authorization bill. Another topic that was discussed had to do with the Texas Department of Transportation and their requests to the Federal Highway Administration (FHWA) regarding digital display messaging inside of the right-of-way roadways and highways. Although this may undermine the Uniform Traffic Control Manual, this is an idea that may be of interest to MTC.

MAP-21 Freight Provisions Statute Review and Discussions

On November 19, we participated in a webinar by the U.S. Department of Transportation (U.S. DOT) regarding MAP-21 and the Freight Provisions Statute. A variety of topics regarding freight were discussed as a part of the webinar, including network design, increased federal share and performance measures. These are some of the key points from the webinar:

- National Freight Advisory Committee Actions and Recommendations
 - Multi-jurisdictional planning for data usage; and
 - Solutions for workforce developmental challenges.
- National Freight Strategic Plan Framework will be up for public comment in late winter 2015
- Primary Freight Network Designation — a map of 41,518 miles, which is over the Congressional cap of 21,000 miles
 - Data may not be specific enough
 - Will be reviewing next steps to finalize this network
- Increased federal share
 - Up to 95 percent on interstates
 - Up to 90 percent on other projects
 - Dependent on state freight plans, which needs to be approved by FHWA
 - Indiana and Vermont have already had their plans approved
- State Advisory Committees are underway
- Projects of National and Regional Significance
 - U.S. DOT did two project surveys, which had over 300 responses
 - DOT Is currently classifying the projects
- Freight Performance Measures
 - Tools and data
 - FHWA has obtained a national travel time data set
 - Research data set for truck probes
 - Free for states and MPOs
 - Five minute increments of every day data will be available in 2015
 - Local data is not always available
- Best Practice and Performance Measures will be done in 2016
 - Exploring new data sets through big data and RFID
 - Testing with I-95 coalition on data validity and Freight Performance Measures with a NPRM will be done in 2015
 - Results will be available by the end of 2015
- Truck Parking
 - Commercial vehicle parking study
 - Truck parking survey has been completed, report in final review and will be released in 2015
- Truck Size and Weight Limits Study
 - Required by MAP-21
 - Pre-study to determine the magnitude of potential impacts
 - Comments will be on a docket thru the Transportation Research Board regarding existing state truck size and weight laws.

Freight Panel Discussions with Senate Staff

On November 19, we attended a Freight Panel discussion with Senate staffers that was moderated by Adam Snider of Politico Newspaper. The panel consisted of freight experts who discussed transportation funding challenges spurred by the federal gas tax situation and how a freight program or freight funding pot might be structured in the next surface transportation reauthorization. Below are some specific comments from the members of the panel:

Leslie Blakely, Coalition for America's Gateways and Trade Corridors

- Projects of regional and national significance require a dedicated funding source
- The U.S. DOT should establish a Freight Office

Chuck Baker, National Railroad Construction

- More focus should be put on freight planning at the metropolitan and multi-state levels

Robyn Boerstling, National Association of Manufacturers

- Small gas has a competitive advantage
- Freight exports are up nearly 50 percent

Kurt Nagle, American Association of Port Authorities

- Freight exports count for 32 percent of the nation's gross domestic product

EPA Unveils Plan to Tighten Ozone Standards

On November 25, the Obama Administration unveiled an ambitious plan that would improve public health by slashing the ozone pollution that causes smog. Environmental Protection Agency (EPA) Administrator Gina McCarthy framed the update to the ground-level ozone layer as an imperative to protect the nation's most vulnerable populations from a range of respiratory illnesses.

"Bringing ozone pollution standards in line with the latest science will clean up our air, improve access to crucial air quality information, and protect those most at risk," McCarthy said in a statement. The EPA sought to ward off criticism surrounding the proposal's costs, saying that many other recent regulations, such as those on vehicle fuels, will reduce ozone and help states meet the standards. Additionally, states could take until 2020 to 2037 to comply with the new standards under the proposal.

Senator Jim Inhofe (R-Okla.), incoming chair of EPW, promised that lawmakers would scrutinize the rule closely, saying it "will lower our nation's economic competitiveness and stifle job creation for decades." The EPA wants to cut the allowable threshold for ground-level ozone to between 65 and 70 parts per billion, down from the current 75 parts per billion. The EPA will also be taking comments from the public on possibly lowering down to 60 parts per billion the standard for ozone, a byproduct of many pollutants that come from burning fossil fuels. However, a report commissioned by the National Association of Manufacturers concluded that at 60 parts per billion, the rule would cost the United States \$270 billion a year, making it the most expensive regulation in history.

Comings and Goings

November 7

- Joseph C. Szabo, administrator of the Federal Railroad Administration (FRA) since 2009, announced that he will be stepping down from his post on January 1, 2015. He will leave the FRA to join the Chicago Metropolitan Agency for Planning as a senior fellow.

November 18

- Rep. Sam Graves (R-Mo.) will be the next Highways and Transit Subcommittee Chair.
- Jim Kolb is leaving the House T&I Committee to go to Ball Janik, a D.C. lobbying firm.
- Re-Election reception for Rep. Eric Swalwell (D-Calif.).

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